## Fiscal Estimate - 2013 Session

	Original		Updated		Corrected		Supple	mental			
LRB	Number	13-2463/1		Introd	luction Nur	mber \$	SB-218				
Description Angel investment tax credit, creation of the Wisconsin Venture Capital Authority, creation of the Wisconsin forward jobs fund to be administered by that authority, and making an appropriation											
Fiscal	Effect										
	No State Fisc Indeterminate Increase E Appropriat Decrease Appropriat	Existing tions Existing	☐Increase Revenue ☐Decrease Revenue	s Existing	to a		ts - May be nin agency sts				
Local:  No Local Government Costs  Indeterminate  Increase Costs  Permissive Mandatory  Decrease Costs  Permissive Mandatory  Permissive Mandatory  Permissive Mandatory  Permissive Mandatory  Permissive Mandatory  Decrease Revenue  Permissive Mandatory  Districts											
	Sources Affe PR   FED		PRS SEC	3 🔲 SE	<b>Affected</b> EGS	Ch. 20 Ap	propriatio	ons			
Agen	cy/Prepared	Ву	Aut	horized S	Signature			Date			
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## Fiscal Estimate Narratives DOA 6/25/2013

LRB Number	13-2463/1	Introduction Number	SB-218	Estimate Type	Original			
Description								
Angel investment tax credit, creation of the Wisconsin Venture Capital Authority, creation of the Wisconsin								
forward jobs fund to be administered by that authority, and making an appropriation								

## **Assumptions Used in Arriving at Fiscal Estimate**

2013 Senate Bill 281 would create the Wisconsin Venture Capital Authority and also create the Wisconsin Forward Jobs Fund to be administered by the authority. Under the bill, in each fiscal year, beginning in fiscal year 2013-14, and ending in fiscal year 2018-19, the secretary of administration must transfer moneys to the Wisconsin Forward Jobs Fund (Fund)from the general fund totaling \$208,000,000. Governed by a 13-member board of directors, the authority may invest the fund capital in qualified investment capital funds of at least \$180,000,000 over the life of the Fund. The bill also authorizes the authority to invest up to \$20,000,000 in fund capital directly in a Wisconsin business if that investment is proposed to the authority by an angel investor or angel group of investors. Finally, the authority may commit up to \$8,000,000 in fund capital to qualified business development organizations.

The bill would allow the board to hire an executive director, hire a fund manager for the Fund, have board members be reimbursed for actual and necessary expenses, including travel expenses, be subject to annual accounting of the financial status, prepare other annual reports, and liquidate any assets by December 2031, however, there is no appropriation or expenditure authority created to cover these costs.

The bill would require that the department of administration provide administrative support services to the Authority. No staff or administrative funds would be provided to DOA for these services. While DOA would absorb these costs, it should be noted that the Department already provides such services to nine other agencies with no additional staff or administrative funds. These agencies include the Board on Aging and Long-Term Care, the Board for People with Developmental Disabilities, the District Attorneys, the Office of the Governor, the Office of the Lieutenant Governor, the Office of State Employment Relations, the Secretary of State, the Office of the Treasurer, and the Judicial Council.

**Long-Range Fiscal Implications** 

Unknown.